

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF NEW YORK**

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|---|---------------------------------|
| UNITED STATES OF AMERICA and )          |                                 |
| STATE OF NEW YORK ex rel. GREGORY )     |                                 |
| FOLTA, )                                |                                 |
| )                                       |                                 |
| Plaintiffs, )                           | Civil Action No. 1:15-cv-396    |
| )                                       | (TJM/DEP)                       |
| v. )                                    |                                 |
| )                                       | <b>STIPULATION AND ORDER OF</b> |
| HEALTH QUEST SYSTEMS, INC. and HEALTH ) | <b>DISMISSAL</b>                |
| QUEST MEDICAL PRACTICE, P.C., )         |                                 |
| )                                       |                                 |
| Defendants. )                           |                                 |
| )                                       |                                 |

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**STIPULATION AND ORDER OF DISMISSAL**

WHEREAS, on June 29, 2018, the United States and the State of New York filed notices of election to intervene in part in the above-captioned *qui tam* action;

WHEREAS, on June 29, 2018 and July 9, 2018, the State of New York and the United States, respectively, filed settlement agreements that each had entered into with Defendants and Relator Gregory Folta (the “Settlement Agreements”);

WHEREAS, Defendants have made payment to the United States and the State of New York in accordance with the terms of the respective Settlement Agreements and have made any other payments as set forth in the respective Settlement Agreements;

WHEREAS, the United States and the State of New York have paid Folta a share of the settlement proceeds in accordance with the terms of the Settlement Agreements;

WHEREAS, Folta has reserved the right to seek an increased relator’s share;

WHEREAS, through the Settlement Agreements, the United States and the State of New York released Defendants from the “Covered Conduct,” as defined in those agreements and according to terms set out therein, and the United States and the State of New York agreed to

dismiss this action with prejudice as to the Covered Conduct and without prejudice in all other respects;

WHEREAS, through the Settlement Agreements, Folta released Defendants from any and all claims under the False Claims Act, among other claims, and Folta agreed to dismiss this action with prejudice as to Folta;

WHEREAS, no party hereto is an infant or incompetent;

NOW, THEREFORE, it is hereby stipulated and ORDERED that:

Pursuant to Federal Rule of Civil Procedure 41, this case is dismissed in its entirety: (a) with prejudice as to the United States and the State of New York only with respect to the Covered Conduct as defined in the Settlement Agreements and without prejudice to the United States and the State of New York in all other respects; and (b) with prejudice as to Folta. PROVIDED, HOWEVER, that this Court will retain jurisdiction to resolve any dispute between Folta and the United States and the State of New York concerning relator's share.

**IT IS SO ORDERED:**

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Hon. Thomas J. McAvoy  
Senior U.S. District Judge

Dated: \_\_\_\_\_, 2018

Stipulated and agreed to by:

**UNITED STATES OF AMERICA**

GRANT C. JAQUITH  
United States Attorney

/s/ Michael D. Gadarian

Michael D. Gadarian  
Assistant United States Attorney  
Bar Roll No. 517198

Dated: August 14, 2018

**STATE OF NEW YORK**

BARBARA D. UNDERWOOD  
*Attorney General of the State of New York*

/s/ Kathleen A. Boland

Kathleen A. Boland  
Special Assistant Attorney General  
Office of the Attorney General  
Medicaid Fraud Control Unit  
The Capitol  
Albany, NY

Dated: August 14, 2018

**HEALTH QUEST SYSTEMS, INC.  
HEALTH QUEST MEDICAL PRACTICE,  
P.C.**

/s/ Lisa M. Noller

Lisa M. Noller  
Foley & Lardner LLP  
*Counsel for Health Quest Systems, Inc. and  
Health Quest Medical Practice, P.C.*

Dated: August 14, 2018

**THE RELATOR**  
Gregory Folta

*/s/ Thomas R. Fallati* \_\_\_\_\_

Timothy McInnis  
Thomas R. Fallati

*Attorneys for Relator*

Dated: August 14, 2018